

18 October 1976

MEMORANDUM

SUBJECT: Romania-USSR: How Much Rapprochement and Why?INTRODUCTION

For over four months, Ceausescu has maintained a conciliatory stance toward Moscow that contrasts markedly with his often fiery defense of Romania's sovereignty in the face of Soviet pressure. Always adept at gauging precisely how far he can push the Soviets, Ceausescu in the past often adopted a low profile to forestall serious retaliation from Moscow. Once a respite has been gained, however, he normally rebounds to challenge Moscow once again.

This time around there is no ready explanation for Ceausescu's continued amity. Bucharest seems to have incurred increased Soviet displeasure in late April and May, and--presumably in response--muted its independent outbursts. Since then, however, Bucharest has made its peace with Moscow on at least some long standing issues. Romanian officials have, in fact, told US diplomats that tensions with the Soviets have eased.

The Chronology

In an exceptionally sharp attack on April 26, Ceausescu blasted Moscow for twisting Marxist-Leninist doctrine in an effort to promote Soviet hegemony in the world communist movement. The Yugoslavs described his remarks--couched in heavily ideological terms--as the official opening of a polemic against the advocates of "limited sovereignty." This speech climaxed several months of public and behind-the-scenes sparring with Moscow over preparations for the European Communist Party Conference (ECPC), an escalating historical polemic over Bessarabia, [REDACTED]

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[redacted] and the furor over the "Sonnenfeldt Doctrine" and implicitly the Brezhnev Doctrine.

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Three days after this speech, Vadim Zagladin--CPSU specialist in relations with foreign communist parties--arrived in Bucharest. His purpose was to press the Romanians to accept the draft of the eventual ECPC final document. The Soviet ambassador in Bucharest also called on Ceausescu that same day.

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[redacted]

At this point, Ceausescu apparently decided to adopt a lower profile and to mute contentious issues. During a speech on May 8 celebrating the Romanian party's 55th anniversary, he disappointed an enormous crowd attracted by hints that he would "say something important." He instead delivered a ritualistic recitation of Romania's national communist course, avoided mentioning the Soviets except for one stock reference, and somewhat defensively described Romania's "internationalist" credentials. A Romanian mobilization and alert exercise at mid-month, however, marred this surface calm. The drill sparked rumors of an imminent Soviet invasion, and set off some consumer panic buying. Party activists, it appeared, had earlier done too good a job of spreading the word that the Soviets and other East Europeans had territorial designs on historically disputed Romanian lands. Ceausescu may have used the exercise as a relatively unprovocative means to demonstrate Bucharest's resolve in the face of Moscow's demands.

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[redacted]

That some very modest accommodation had been reached was signalled in Ceausescu's speech to the Congress of Political Education and Socialist Culture on June 2. He appeared anxious to write an end to Bucharest's historical polemics over Bessarabia, Transylvania, and the Dobrudja. Surprisingly, he declared

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that Romania had no territorial or other problems with the USSR or other neighboring states. He said that the ECPC could be held "at any moment," reiterated previous pledges to fulfill Romania's obligations under the Warsaw Treaty and to continue collaborating with Pact states even after military blocs dissolve, and affirmed Romania's commitment to the CEMA comprehensive program. The bulk of his speech, however, was a firm carefully constructed defense of Bucharest's national communist course, and Ceausescu again attacked the Soviets for their pretensions to hegemony within the movement.

In mid-June, both Ceausescu and party secretary Andrei made a point of assuring US diplomats that there were no unusual tensions in Soviet-Romanian relations. The Romanians, in fact, seemed to come away from the European communist conference later in the month feeling that they had struck a good bargain. Just after the conference closed, Andrei lauded Moscow's "definitely more realistic approach." He claimed that the conference represented a "major advance" in inter-party relations because Moscow was forced to give in to numerous demands of the independents and endorse a number of standard Romanian positions.

Andrei nevertheless appeared to hedge on whether the Soviets had permanently altered their behavior. He noted that a number of Moscow's loyalist allies had gone on record in favor of "old-style" proletarian internationalism, a new world communist conference, and condemnation of China. His tone suggested that Bucharest would not naively rush into open Soviet arms and thereby risk jeopardizing its hard-won measure of independence.

The Romanians, nevertheless, continued their good behavior at a CEMA ministerial meeting in early July. Premier Manescu's speech--though it contained the standard defenses of Romania's sovereignty in economic matters and made the usual pitch for equalizing development levels among CEMA states--was tailored for Soviet ears. At about this same time, rumors began to circulate that Ceausescu and Brezhnev would soon exchange visits. Ceausescu had not made an official bilateral visit to the USSR since 1970, and Brezhnev has never made a formal bilateral visit to Romania since becoming the Soviet party leader.

Following an unusual extraordinary session of the Soviet-Romanian joint economic commission in mid-July, US diplomats in Moscow began to pick up reports that Romania was angling for Soviet economic benefits. Western diplomats heard that there were sharp disagreements over Romania's request for greater supplies of raw materials, particularly for iron ore, coking coal, and crude oil. Romanian diplomats later said that the Soviets did not meet their

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requests, and that more negotiations would be necessary before the commission's next regularly scheduled session--now apparently set for mid-November. The Romanians added that they were dissatisfied with their share of trade in the new Soviet 1976-1980 five-year plan--which they labelled the most meager grant to any East European country. This suggested that Bucharest was making an attempt to nail down a greater share of Moscow's economic largesse before the Soviet five-year plan was finally adopted.

Ceausescu's 11-day vacation in the USSR in early August--which included a dramatic stop in Soviet Moldavia before he met with Brezhnev in the Crimea--picked up the momentum again. Both men expressed satisfaction about their "ever closer unity of views," and affirmed their determination to consolidate the cohesion of the communist community of the basis of "proletarian internationalism." The use of this favorite Soviet codeword for Moscow's leadership within the movement was presumably a deliberate Romanian sop to the Soviets, although Bucharest understands the term to embody the principle of party independence.

During Ceausescu's visit, there were still signs of Soviet-Romanian friction. Speaking on August 3 in Kishinev, the capital of Soviet Moldavia, Ceausescu reiterated his intent to work for a new international economic order, to continue identifying with the nonaligned and developing world, and to maintain Romania's relations with all anti-imperialist forces--implicitly including China. He also emphasized that the ECPC had confirmed the principle of equality among parties.

While Ceausescu was still in the USSR, the Romanian media churned out at least four articles that appeared to violate the reported bilateral understanding that limited historical polemics. The items praised Michael the Brave, the national hero who in 1600 briefly unified Romania's three historic principalities. Equating Michael's fight for national independence with Ceausescu's diplomatic struggles with Moscow, the items emphasized that Ceausescu would not sacrifice Romania's independence for any gains. This analogy was presumably intended as much for the domestic audience as for Moscow's benefit, however, because Ceausescu's visit to the USSR apparently caused some unease in the hierarchy over the Romanian leader's intentions. At the same time, the party's theoretical journal also revived the role of the nation-state in world affairs for the first time since late April.

We do not, of course, know the details of the Ceausescu-Brezhnev talks, but economics probably loomed large. A Romanian diplomat in Moscow commented that his embassy had had to prepare voluminous economic briefing materials for Ceausescu's trip. We also suspect that Bucharest's overtures toward the nonaligned were on the agenda--and that the Romanians assuredly caught some Soviet flak. Ceausescu may also have offered to host a meeting

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of the Warsaw Pact's Political Consultative Committee [REDACTED]

Romanian diplomats, however, have generally sought to play down the significance of the visit. They claim that it was similar to those of other East European leaders this summer, and maintain that Ceausescu proposed the trip. [REDACTED]

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Although the Romanians reiterated that the Soviets had offered nothing concrete during the trip, a senior Soviet economist said that Moscow was trying to be helpful and had agreed to sell Bucharest some oil.

Ceausescu's attempts to curry favor with the Soviets did not prevent him from journeying to Yugoslavia in early September for talks with Tito. The two Balkan mavericks made an effusive show of their determination to pursue independent courses in foreign affairs.

Back home, in a speech on October 1 to an army-party gathering, Ceausescu again combined some reassuring words for Moscow with independent rhetoric. Ceausescu again declared that Bucharest would "adequately" fulfill its obligations under the Warsaw Treaty and bilateral friendship pacts. He added that Bucharest would continue to collaborate with the Pact states even after the dissolution of military blocs. As in the past, however, he stressed that the Romanian army's only mission is the defense of the homeland; that Bucharest will fight any aggressive moves--presumably also from Moscow; and that Romania will continue to develop military cooperation with friendly states in the West and the third world.

Possible Motivations

Most of the available evidence indicates that Romania's economic problems have motivated Ceausescu to seek a limited accommodation with Moscow. Bucharest remains committed to break-neck heavy industrial development at the expense of the consumer, and is struggling to maintain the highest growth rate of any East European country. The economy appears to be slowing down from the 9 percent growth rate of recent years--although it is not yet in serious trouble--and top Romanian officials are reportedly worried about widespread failures to meet goals of the 1976 plan. There have lately been hints of some high-level political pulling and tugging behind the scenes, suggesting that some within the leadership do not support Ceausescu's hard-driving economic policies. Ceausescu has nevertheless refused to lower his economic sights,

and domestic critics could become more vocal if the economy falls far short of Ceausescu's high objectives.

Ceausescu may be looking eastward in hopes of receiving assistance in attaining his overly ambitious economic goals, and may calculate that his less intractable stance will make Moscow more responsive to Bucharest's economic requests. Despite its relative independence from the Soviets in foreign policy, Bucharest's economic strings are still closely tied to Moscow. For example, Romania depends heavily on the Soviets for certain vital raw materials--coal, coke, and iron ore--and has been unsuccessful in its attempts to diversify its sources of supply. 25X1

Romania's hard currency indebtedness to the West has been mounting alarmingly, and Bucharest has sought to slow this growth by severely curtailing imports. The Romanians have been unable to market domestically produced low-quality goods in the West in return for hard currency to repay their obligations. Payments for imports of Middle Eastern oil--at free market prices and in hard currency--apparently represent a particular drain. The price of Soviet crude is still about one-third that of the West, and Romania need not pay in convertible currency.

Despite its problems, the Romanian economy is apparently not in enough trouble to force Ceausescu to consider significant concessions. If the economy fails to meet plan goals, Ceausescu--as in the past--will probably seek a convenient scapegoat, or order falsifications of economic data if shortfalls are major.

There may also be political as well as economic motives for seeking a better tactical relationship with Moscow. Bucharest's successful bid last February for membership in the Group of 77 and its wooing of the nonaligned before the Colombo summit in August, may have caused the Soviets more heartburn than originally thought. 25X1

Ceausescu may also sense a climate of greater Soviet willingness to tolerate diversity, and may now be testing Soviet waters. Some Romanian officials have described the ECPC as a watershed in inter-party relations, when Moscow realized that it must adopt new tactics for dealing with the maverick parties.

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The Soviet View

Over the past 10 years, the Soviets have had ample opportunity to observe Ceausescu's tactics, ranging from professions of friendship and loyalty to the USSR to strident defenses of Romanian independence. Moscow thus is probably inclined to view Ceausescu's recent gestures as simply the latest move in a complicated Romanian balancing act. The Soviets may believe that Ceausescu is seeking an accommodation in hopes of winning Soviet assistance for the faltering Romanian economy.

The Soviets will make every effort to exploit Ceausescu's stance to their advantage. They will probably adopt their usual hard-bargaining attitude toward Romanian requests for additional raw materials and other assistance, but would probably grudgingly come across with some help--although not to the extent the Romanians would want. They will probably hold out the prospect of more aid if Ceausescu continues to behave.

The Soviets may also seize upon Ceausescu's recent statements that Romania will fulfill its Warsaw Pact obligations to suggest that Bucharest consider participating in a Warsaw Pact exercise outside Romania.

The Soviets will thus look for adjustments to Ceausescu's policies over time, hoping to accomplish piecemeal their goal of greater political, military, and economic integration in Eastern Europe. They may suggest that Ceausescu alter his independent course in ways more fundamental than simply tempering Romanian rhetoric, but are unlikely to press too hard for basic concessions that might make Ceausescu recoil.

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CONCLUSIONS

Over the past five months, there has been an absence of particularly nasty Romanian rhetoric directed at the Soviets, but Ceausescu has nonetheless continued firmly to espouse Bucharest's national communist line. We thus do not believe that Ceausescu--whatever his motives--will make fundamental political concessions to the Soviets at this time. Neither economic nor political realities seem to dictate such major adjustments. Romania's defense of its independence has been long and torturous, and Ceausescu has won too much to abandon this basic course.

We do not, however, rule out the possibility that Ceausescu will continue to minimize differences with Moscow. This effort could lead to a revised set of tactics involving fewer polemics, greater economic cooperation, and an effort to accentuate the positive whenever possible.

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